

# ANNUAL REPORT

## NALEDI

LOCAL MUNICIPALITY

2008/2009



**Naledi**

Local Municipality

January 2010

## GENERAL INFORMATION AS AT 30 JUNE 2008

### MEMBERS OF THE EXECUTIVE COMMITTEE AND THEIR PORTFOLIOS

Cllr R S Mompoti	Mayor
Cllr D R van Tonder	Health and Stella Unit
Cllr M W Beng	Community Services
Cllr B B Moabi	Corporate Services and Finance

### COUNCILLORS

Cllr BB Fulei (Speaker)	ANC (proportional councillor)
Cllr RS Mompoti (Mayor)	ANC (proportional councillor)
Cllr JA Adonis	ID (proportional councillor)
Cllr OK Bareki	PAC (ward 6 councillor)
Cllr MW Beng	ANC (ward 2 councillor)
Cllr KL Bome	ANC (ward 5 councillor)
Cllr PH du Plessis	ANC (ward 3 councillor)
Cllr BM Kegakilwe	ANC (proportional councillor)
Cllr A Lekgetho	ANC (ward 1 councillor)
Cllr OD Mathibe	ANC (proportional councillor)
Cllr BB Moabi	ANC (proportional councillor)
Cllr EK Moroka	ANC (proportional councillor)
Cllr TG Moruri	ANC (proportional councillors)
Cllr LE Sedumedi	ANC (ward 9 councillor)
Cllr KL Sereisho	ANC (ward 4 councillor)
Cllr MF Tinyane	UCDP (ward 8 councillor)
Cllr HL Pretorius	DA (ward 7 councillor)
Cllr DR van Tonder	DA (proportional councillor)

### EXECUTIVE STRUCTURE

Vacant	Municipal Manager
Mr FA Smit	Executive Manager: Operational Services
Mr T I Mokwena	Executive Manager: Community & Housing Services
Mr M A Pretorius	Executive Manager: Infrastructure Services
Mrs G M Keeme-Gaobepe	Executive Manager: Support Services

**GRADING OF LOCAL AUTHORITY**

Category B, Grade 8 Municipality (officials) and Grade 3 Municipality (councillors)

**AUDITORS**

Office of the Auditor-General

**AUDIT COMMITTEE (BOPHIRIMA DISTRICT MUNICIPALITY'S SHARED SERVICE)**

Ms JS Masite (Chairperson)

Ms M Seleho

Mr E van Rensburg

Mr S Williams

Mr G Dlanjwa

Mr G Jarvis

**BANKERS**

First National Bank

**REGISTERED OFFICE**

Market Street

VRYBURG

8601

P.O. Box 35

VRYBURG

8600

Telephone

: (053) 928 2200

Fax

: (053) 927 0002

**APPROVAL OF THE ANNUAL PERFORMANCE REPORT**

.....  
Cllr RS MOMPATI

MAYOR

January 2010

.....  
G Mthimunye

ACTING MUNICIPAL MANAGER

January 2010

## 1 INTRODUCTION AND OVERVIEW

### 1.1 Introduction

This Annual Performance Report is compiled in terms of Section 46 (1) of the Local Government: Municipal System Act 32 of 2000 which requires Municipalities for each financial year to prepare a performance report reflecting the performance of the Municipality, measures taken to improve performance as well as Annual Report in terms of Chapter 12 of the Municipal Finance Management Act of 2003.

### 1.2 Foreword by the mayor

In terms of the Local Government Legislation Naledi Local Municipality has to report its performance to the community, the object is to entrench democracy in our societies as well as we allow fair, positive and developmental criticism that enhance improvement. Municipalities should deliver basic services to the community in a sustainable manner and ensure proper consultation with its constituency as it is done in the preparation of the Integrated Development Plan (IDP)

The IDP is a document that guides development in the Municipality thus bringing changes to the lives of the community members and has to be guided by the relationship between the identified needs, available limited resources and the municipal budget. It is the basis of the Annual Performance report that outlines the success or shortfalls regarding the capacity of our institution and our leadership in relation to our mandate assigned to municipalities by Section 152 of the Constitution of the Republic of South Africa.

This document outlines that our performance for 2007/2008 financial year can be best described as below average in relation to performance on the needs identified as priorities by the community due to severe financial constraints. Delivery of basic services to the community has not improved since 2006. Organisational transformation and development have not borne any fruits, our low capacity in the finance department consistently resulting in disclaimer reports from the Auditor General as well as inadequate debt collection which had an impact on service delivery and productivity of the municipality.

.....  
**Cllr RS MOMPATI**  
**MAYOR**

### **1.3 Overview**

#### **1.3.1 Municipal Profile**

The Naledi Local Municipal Area is situated in the western and south-western section of the North West Province, bordered by Botswana in the north, the Central and Southern Local Municipalities in the east, the Free State Province in the south-east, the Northern Cape Province in the south, south-west and west.

The Naledi Local Municipal Area is an isolated area from a national and spatial perspective. The Naledi Local Municipal Area is an outlying rural area on the western border of South Africa with only long-distance road and rail linkages with regional and metropolitan centres, being Mafikeng, Rustenburg and Pretoria/Midrand/Johannesburg. Other centres are Kimberly, Klerksdorp up to Bloemfontein.

The Naledi Local Municipality (NW392) is approximately 7 264 km<sup>2</sup> in extent (15.30% of the total area of the Naledi Local Municipal Area), with an estimated population of 58 104 (13.83% of the total population of the Naledi Local Municipal Area);

Naledi Local Municipality consists of Vryburg, Kismet Park, Colridge, Huhudi, Stella, Dithakwaneng, Mosita and Surrounding farms. Dithakwaneng and Mosita are resettlement areas.

#### **1.3.2 Municipal Mandate**

Section 152 of the Constitution of the Republic of South Africa (Act 108 of 1996) identifies the objects of local government and these forms the basis for the municipality's strategic focus areas:

- To provide democratic and accountable government for local communities
- To ensure the provision of services to communities in a sustainable manner
- To promote social and economic development
- To promote a safe and healthy environment
- To encourage the involvement of communities and community organisations in the matters of local government

### 1.3.3 Allocated Powers and Functions

The following powers are performed by the Naledi Local Municipality:

- Electricity reticulation
- Fire fighting
- Municipal planning
- Storm water
- Water
- Sanitation
- Amusement facilities
- Cemeteries
- Cleansing
- Public places
- Refuse removal
- Solid waste removal
- Street lighting
- Municipal public works
- Building regulations
- Billboards and the display of advertisements
- Street trading
- Trading regulations
- Traffic and parking
- Library services
- Municipal airport
- Environmental health services

The following are also allocated to the municipality but are currently not performed. The municipality will investigate the feasibility of performing some of these functions. At the same time by-laws will be developed to regulate some of the functions.

- Air pollution
- Local tourism
- Control of public nuisance
- Facilities for the accommodation, care and burial of animals

- Noise pollution
- Pounds

#### 1.3.4 Priorities

The following key intervention areas were identified during the Naledi Local Municipality IDP Review of 2007/2008

PRIORITY	ISSUES
1	Housing
2	Roads and Infrastructure
3	Refuse Removal
4	Upgrading of Social Amenities
5	LED Opportunities

#### 1.3.5 Vision

As the actualisation of a democratic, economically viable, self sustaining, stable municipality capable of efficient service delivery and of creating an environment conducive to the economic development for its entire people.

#### 1.3.6 Mission

- To secure an effective, sound, accountable, transparent and acceptable quality administration of the functions of the Council in the interest of all residents of Naledi.
- To secure proper communication channels and a healthy relationship between Council and the various communities, as well as Council and its employees
- To uphold the national objects of local government

### **1.3.7 Planned Strategic Outcomes**

Naledi Local Municipality is confronted by various challenges ranging from administrative, service delivery and generally the capacity of the municipality to perform its functions and powers. Majority of the population are looking forward to the municipality to be pro-active in providing services. This includes ordinary members of the community, the business sector, and farmers.

## **1.4 General Information**

### **1.4.1 Geographic**

The settlement pattern is fragmentary, with small, low intensity urban areas scattered through, and surrounded by vast rural areas. The urban areas, or towns, include Vryburg, Colridge, Kismet Park, Stella and Huhudi. Dithakwaneng and Mosita comprise of higher density settlement with mainly residential character, except for the regional urban centre node, being Vryburg/Huhudi and the local urban centre being Stella, which has a mix land uses, verifying from residential, and retail, institutional to manufacturing and industrial.

The latter urban areas or towns are surrounded by very low-density, scattered rural settlements, villages and vast rural area. Vryburg may be regarded as the economic hub of Bophirima District Municipal area.

### **1.4.2 Demography**

Naledi has an estimated population of 58104 (13.22% of the total population of Bophirima District Municipality. The population in the Naledi Municipal area increased from 54 825 people in 1996 to 58 104 in 2001 according to information from Statistics SA.

### **1.4.3 Indigent population**

Naledi has 7,050 indigent households' accounts (property rates as well as service charges).

### **1.4.4 Total number of voters**

The total number of voters is 29,177



#### **1.4.5 Age breakdown**

- A large portion of the population (an estimated 18,828 people of the total population) is the school going age group (0 to 14 years of age)
- A large portion of the population (an estimated 36,709 people of the total population) is economically active (15 to 64 years age)
- A small portion of the population (an estimated 2,568 people of the total population are retired 65 years and older)

#### **1.4.6 Households income**

- 2,052 households have no annual household income.
- A large portion of 9,018 households have an annual income of up to R 19,200.
- 4,152 households have an annual household income of more that R 19,200.

## CHAPTER 2

### 2 PERFORMANCE HIGHLIGHTS

- Number of households electrified during the financial year = 0
- Number of new houses provided with water during the financial year = 0
- Number of houses built in the municipality during the financial year = 0
- Outstanding consumer ,rates and taxes accounts = R52 706 508

#### 2.1 The level of development in terms of basic services

##### 2.1.1 Vryburg, Colridge & Kismet Park

Vryburg and Kismet Park is 100% supplied with water, electricity, sewerage and refuse removal. With regards to Colridge 97% is provided with water borne sewerage the remaining 3% will be provided when the housing project is completed. 100% of households are provided with electricity. 97% of households are connected with water, the remaining 3% have access to community taps and when the houses are completed they will have access to yard connections. Presently Colridge have more than 500 illegal squatters and the Department of Development Local Government and Housing approved 1500 low cost housing and people will be relocated towards the end of March 2009. At present about 50% of the illegal squatters is situated on already serviced stands.

##### 2.1.2 Huhudi

In Huhudi 100% of formal households have electricity, 94% have access to water borne sewerage and 97% are connected with water and 100% refuse removal services, the remaining balance will be addressed when the houses are built. In Huhudi there are more than 1,000 illegal squatters who will be relocated by the end of March 2009 to the new extension and the backlog will be addressed

### **2.1.3 Stella**

50% of households in Stella are using septic tanks, and the cesspool service is done by the Municipality. Water borne sewer is constructed at the new extension and the remaining 50% will be connected when the houses are completed. 100% of all residents have access to refuse removal and water. 100% households have access to electricity. 75% are connected with water and the remaining 25% will be coupled when the houses are completed

### **2.1.4 Dithakwaneng**

100% of households have access to water (RDP standard) VIP sewerage and 50% to electricity.

### **2.1.5 Devondale**

100% of residents have access to VIP toilets. Water reticulation is constructed delivering from boreholes to standpipes. There is no electricity at Devondale. Eskom indicated that they will provide electricity during 2008/2009 financial year

## CHAPTER 3

### 3 HUMAN RESOURCE AND OTHER ORGANISATIONAL MANAGEMENT

#### 3.1 Challenges in 2007/2008

- Unacceptable high wage bill
- Inefficiency of staff and lack of discipline
- IDP not linked to the Budget
- Disclaimer report from Auditor General
- Lack of funds to maintain ageing infrastructure
- Unacceptable high unemployment rate resulting in the increase of indigent households

#### 3.2 Contracts of Section 57 Managers

<u>Name</u>	<u>Position</u>	<u>Date of Appointment</u>
Mr E Z Phukwana	Municipal Manager	Resigned (Post still vacant)
Mr FA Smit	Executive Manager: Operational Services	01 March 2008
Mr T I Mokwena	Executive Manager: Community Services & Housing	01 March 2008
Mrs G M Keeme-Gaobepe	Executive Manager: Support Service	01 March 2008
Mr A M Pretorius	Executive Manager: Infrastructure	01 May 2008

#### 3.3 Employment Equity Plan And Skills Development

The Employment Equity Plan as well as the Skills Development Plan was submitted to Council for approval as envisaged in 2007/2008 financial year. When the posts are filled in Naledi, it will be conducted in line with the Employment Equity Plan.

In terms of the Work Skills Plan the following training was conducted during the year:

43 ABET learners were trained and only 38 wrote the exam and 27 were declared competent

142 employees were trained on the following:-

- Integrated Development Plan
- Transport and Fleet Management
- Public Management and Administration
- Law Enforcement
- Project Management
- Advance Project Management
- Customer Care Management
- Development for Municipal Finance

The following learnerships were also completed:

Municipal Finance Management Act	– 13 beneficiaries
Water Purification Process	- 26 beneficiaries
Waste Water Processes	- 15 beneficiaries

The training costs amounted to R104 628 95

## CHAPTER 4

### 4 AUDITED FINANCIAL STATEMENTS AND RELATED FINANCIAL INFORMATION

This chapter deals with the annual financial statements for 2007/2008 financial year, as well as reports of the Auditor General for both the financial statements as well as Performance Management System.

#### Comparative figures

##### Paragraph 5

The main problem experienced is that control accounts are not balanced on a monthly basis. Although all efforts were made to commence with the balancing of the control accounts, this is an enormous task due to the fact that we experience problems with unskilled staff. Council also adopted a financial turn around strategy and is in the process to source funding from the DBSA and other funding agencies to implement the strategy which will, inter alia, include the balancing of control accounts.

#### Revenue

##### Paragraph 6

As indicated above control accounts are not being balanced regularly.

##### Paragraph 7

As indicated above control accounts are not being balanced regularly. The general valuation of all properties has been concluded for implementation on 1 July 2009.

## **Debtors**

### **Paragraph 8**

The debtors control account has being balanced until April 2008 only. The services of the financial expert were terminated in June 2008 by Council and therefore the balancing of control accounts was delayed and the hand written sundry debtors register was not yet implemented.

If we fail to obtain assistance from the DBSA with regard to Financial Experts to balance control accounts the backlog will persist.

Council will be requested to approve the writing off of the amount of R2 392 030-00. Due to an administrative oversight the matter was not tabled before Council.

### **Paragraph 9**

Adequate provision was not made for bad debt as provision was not made for working capital due to financial constraints. Provision was made for working capital in 2008/2019 budget to an amount of R2 000 000-00 and bad debt for R800 000-00.

We don't agree that the debtors age analysis increased by 20% as it amounts to R46 232 034 in 2006/07 whilst it amounts to R44 327 363 in this financial year.

## **Fixed Assets**

### **Paragraph 10**

All fixed assets with a historical value of less than R10 000-00 were not included in the assets register and other assets of the 2007/08 financial were not capitalized as yet.

The Assets Officer who was appointed to execute this responsibility will be retrained in order to be capacitated to rectify the differences and to update the asset register continuously.

## **Creditors**

### **Paragraph 11**

Due to financial constraints experienced during the financial year creditors were only paid during the next financial year. The control account was balanced for the period 30 June to 31 December 2008 and the corrections must still be recorded.

## **Funds and Reserves**

### **Paragraph 12**

Funds and reserves of R32 443 070-00 were not represented with sufficient concomitant assets. The cash of the funds and reserves are invested in outstanding debtors.

### **Paragraph 13**

The entry will be rectified.

## **Accumulated deficit**

### **Paragraph 14**

This is not a discrepancy as the value of game was correctly stated.

## **Year end journals**

### **Paragraph 15**

Where required supporting documents were attached to the journals. Balances were carried forward from the old numbering system to the new one.



### **Long term liabilities**

#### **Paragraph 16**

The invoices for interest and redemption from INCA were made available to the Auditors. The loan agreement with INCA will be requested for submission. The loan with UNIBANK was redeemed in full on 30 June 2008.

### **Expenditure**

#### **Paragraph 17**

Supporting documentation are available for all expenditure but are not filed properly. Proper record management procedures will be implemented soon.

### **Salaries wages and allowances**

#### **Paragraph 18**

The main problem experienced is that control accounts are not balanced on a monthly basis.  
The employees responsible for the payroll will be trained by SAMRAS to balance the payroll to the control account monthly.

### **Consumer deposits**

#### **Paragraph 19**

The control accounts were not balanced on a monthly basis. The Executive Manager: Support Services will assign an Accountant to reconcile the consumer deposits up to date.

#### **Paragraph 20**

The register for all guarantees was up to date and was availed to the Auditors. An electronic register is being kept.

### **Bank overdraft**

#### **Paragraph 21**

Employees encountered problems with the of the April 2008 bank reconciliation. Bank reconciliations for May and June 2008 were therefore outstanding. The Executive Manager: Support Services will assign an Accountant to reconcile the bank reconciliations up to date. Bank reconciliations will be done electronically in future.

### **Investments**

#### **Paragraph 22**

The investment register was balanced and updated until 30 April 2008. Since the termination of the contract of the financial expert the register was not updated. The Executive Manager: Support Services will assign an Accountant for this task.

### **Cash flow statement**

#### **Paragraph 23**

This exception is disputable as the cash flow statement was compiled according to general acceptable accounting practices and will not influence the correctness of the balance sheet or income statement.

### **Long term debtors**

#### **Paragraph 24**

The interest on property sales were not capitalized correctly since 2003. A financial expert needs to be assigned by the DBSA to audit and reconcile the land sales register.

## **Capital commitments**

### **Paragraph 25**

The R90 322-00 was retained as retention on a MIG project (Street lightning Moffat street) and therefore the capital commitments were understated.

## **Unauthorized, irregular, fruitless and wasteful expenditure**

### **Paragraph 26**

- The particulars of penalties and interest on VAT amounting to R998 095-00 were disclosed in the report of Deputy Manager: Financial Services under going concern in the financial statements.
- The outstanding amount payable to SARS is redeemed by paying an amount of R250 000-00 per month and SARS is currently considering writing off the penalties and interest.
- Interest and penalties were raised by creditors due to late payment of accounts. Creditors like ESKOM and SARS were not paid in time due to serious cash flow problems.
- Council will be requested to approve the writing off of the amount of R2 392 030-00. Due to an administrative oversight the matter was not tabled before Council.
- The traffic fines amounting to R63 480-00 will be paid by the responsible drivers or deducted from their salaries.
- 93 Temporary workers were appointed to clean the town without provision been made in the budget for such expenditure of R1 395 000-00. An item will be submitted to Council to grant approval for financing the expenditure from savings.

## **Contingent liabilities and contractual obligations**

### **Paragraph 27**

The outstanding information will be obtained from Lawyers Council's Bankers and provided to the AG office.

## **Provisions**

#### Paragraph 28

The accumulated leave is currently done manually and not correctly reported. This will be done electronically in future allowing us to print a report of leave and values of such leave.

#### **Disclaimer of opinion**

#### Paragraph 29

Council adopted a financial turn around strategy during October 2008 and is in the process to source funding from the DBSA and other funding agencies to implement the strategy which will, inter alia, include the balancing of control accounts, audit of water and electricity meters, replacement of faulty meters, debt collection strategy and training of financial staff.

#### **Going concern**

#### Paragraph 30

The 328 days average creditors payment is not a true reflection as it includes payments not made to the DBSA and Vaalharts Water due to serious cash flow problem experienced. Other creditors are being paid within 90 days.

An agreement has been reached with the DBSA to write of an amount of R9 713 504-23 as penalty interest on instalments not honoured. Some of the loans were taken up for water and sewage infrastructure and these liabilities must, in terms of the Water Act be taken over by the Water Services Authority which will reduce the outstanding loans as well as the instalment amount. It was further agreed that the remaining outstanding capital will be rescheduled and instalments be paid as from July 2009.

The statement that most of the debtors seem irrecoverable is unsubstantiated as the main problem lies with unsatisfactory debt collection. The reviewed debt collection policy made provision that consumers who afford to pay should at least pay 50% and not 10% as it was the case previously of outstanding debt before reconnection. This will enhance debt collection, regular payment of creditors and thus preventing raising of interest and penalties on arrear accounts

## **Internal control**

### **Paragraph 31**

We acknowledge that internal control is almost non-existent. As mentioned before the financial turn around strategy will also address this matter of internal control measures.

A risk assessment has been conducted and audits will be conducted by the shared service internal audit based on the identified risk and internal controls.

## **Non compliance with applicable legislation**

### **Municipal Finance Management Act, 2003(Act 56 of 2003)**

### **Paragraph 32**

The process of tabling the budget was delayed due to the demand from the Vryburg Business Chamber to form part of the budgeting process. The Mayor did table the draft budget for 2008/2009 on 31 March 2008 thus 90 days before the start of the budget year.

### **Paragraph 33**

Due to the delay as mentioned above the approved budget was not submitted to National Treasury and relevant provincial legislature timeously.

### **Paragraph 34**

This matter will be rectified in future.

### **Paragraph 35**

During the budget process the vote numbers on the main ledger were amended to be GAMAP/GRAP compliant. During the compiling of the financial statements (IMFO compliant as instructed by the AG office) all the balances had to be brought forward and journals had to be written for internal loans. Due to the aforementioned the compilation of the financial statements were delayed and only finalized on 16 September 2008. Due to an administrative oversight the statement were not submitted immediately by the Accounting Officer after signature thereof and was only submitted on 20 October 2008.

Municipal System Act, 2000(Act 32 of 2000)

Paragraph 36

We were of the opinion that to charge interest on arrears would have increased the outstanding on the debtors' book and place an extra burden on poor consumers. This matter has been corrected as interest is charged on arrears since October 2008.

Paragraph 37

<u>RANK</u>	<u>SURNAME</u>	<u>INITIALS</u>	<u>IDENTITY</u>	<u>ENT_NO DIR</u>	<u>ENT_NAME</u>
Councillor	Mompati	RS	2509140177088	1992/002301/08	Tiger Kloof Educational Institution
Councillor	Mompati	RS	2509140177088	2000/027403/07	Bokamoso Baking and Catering Services
Councillor	Mmompati	RS	2509140177088	2003/018636/08	Bophirima Social Housing
Councillor	Mompati	RS	2509140177088	2007/106114/23	Moheka Investments
Previous Councillor	Conforth	SM	3802090060084	2008/173499/23	Horomela Hole Transport Services 1043
Previous Councillor	Matobo	DM	4812225579089	2006/110012/23	Madipela Construction
Councillor	Wright	F	5307110083080	2007/230453/23	Kenbeka General Trading
Councillor	Moroka	EK	5309110721081	2007/230453/23	Kenbeka general trading
Councillor	Moroka	EK	5309110721081	2008/037576/23	Kenado general trading
Councillor	Moroka	EK	5309110721081	2008/173499/23	Horomela Hole Transport Services 1043
Councillor	Mathibe	OD	5812295182086	1996/005902/23	Rand Land Projects
Councillor	Mathibe	OD	5812295182086	2002/073003/23	Sultana Trading
Previous Councillor	Petlhu	OJ	5902205770086	2004/105370/23	BKM construction
Previous Councillor	Petlhu	OJ	5902205770086	2006/175133/23	Ontuete Thabo Manufacturing Enterprise
Councillor	Adonis	J A	5910275063084	2008/046132/23	Adamor trading

Councillor	Adonis	JA	5910275063084	2008/066904/23	Rams all Holdings Motorsport
Councillor	Beng	MW	6210255943085	2006/138711/23	Moremogolo logistics
Previous Councillor	Skalk	NW	6212205770089	2007/185495/23	Kwagodimo Construction Suppliers
Previous Councillor	Skalk	NW	6212205770089	2007/208239/23	Swingdings
Previous Councillor	Motlhaleemang	E	6411225672081	2007/095034/23	BMK Keithaetswe Construction and Projects
Councillor	Kegakilwe	BM	6710050820081	2007/230453/23	Kenbefa General Ttrading
Councillor	Kegakilwe	BM	6710050820081	2008/001313/23	Momadomi Trading Enterprise
Councillor	Lekgetho	A	6909075840088	2007/236046/23	Galorongwe General Supply and Enterprise
Councillor	Bareki	OK	8206115494085	2007/212879/23	Kevin Bareki 's business logistics
councillor	Lekgetho	A	6909075840088	2007/169042/23	Q- Fuel

Councillors are requested to elaborate on this matter as the AG's office is not specific which companies did business with Council.

#### **Municipal Property Rates Act, 2004(Act 6 of 2004)**

##### **Paragraph 38**

A general valuation was done in 2002 but due to the amount of objections received the roll was rejected by the MEC for Developmental Local Government and Housing. The general valuation of all properties has been concluded for implementation on 1 July 2009. Council has also adopted a rates property policy in terms of the Act.

### **Electricity Regulations Act, 2006(Act 4 of 2006)**

#### **Paragraph 39**

The tariffs were approved and such approval was confirmed only via e-mail. The Regulator defaulted by not submitting a formal letter of approval although requested on various occasion.

### **Unemployment Insurance Contributions Act, 2002(Act 4 of 2002)**

#### **Paragraph 40**

Once the Department of Labour and the Minister for Finance determine as such unemployment insurance contributions will be deducted from Councillors.

### **DORA**

#### **Paragraph 41**

The programme was not compiled as the positions of Manager: Technical Services and Assistant Manager: Water and Sanitation were vacant. The position of Manager: Technical Services was only filled on 1 May 2008.

A 3 year infrastructure program was submitted in the 2008/2009 budget.

### **Matters of governance**

#### **Paragraph 42**

#### **Audit Committee and internal Audit**

A risk assessment has been conducted and audits will be conducted by the shared service internal audit based on the identified risk and internal controls.



### **Other matters of governance**

- During the budget process the vote numbers on the main ledger were amended to be GAMAP/GRAP compliant. During the compiling of the financial statements (IMFO compliant as instructed by the AG office) all the balances had to be brought forward and journals had to be written for internal loans. Due to the aforementioned the compilation of the financial statements were delayed and only finalized on 16 September 2008.
- Due to an administrative oversight the statements were not submitted immediately by the Accounting Officer after signature thereof and were only submitted on 20 October 2008.
- The annual report was delayed due to the late receipt of the AG report.
- The position of CFO is vacant and Council is still considering the filling of this position.
- Council adopted a financial turn around strategy and is in the process to source funding from the DBSA and other funding agencies to implement the strategy which will, inter alia, address the external audit recommendations and SCOPA resolutions.

### **Implementation of GRAP**

We don't have in house capacity and financial resources to implement GRAP and the Provincial Treasury will be requested to assist in this regard.

### **Unaudited supplementary schedules**

#### **Paragraph 43**

Noted

### **Performance audit**

#### **Paragraph 44 to 48**

Noted

#### **Paragraph 49**

Reports for the first 2 quarters were submitted by the Manager Financial Services and the Manager Corporate Administration. Reports for the last 2 quarters were submitted by the Manager Corporate Administration after the audit was conducted.

### **Functioning of a performance audit**

#### **Paragraph 50**

We agree with the finding. A meeting was already held with the Internal Audit shared service to address this finding.

### **I Internal auditing of performance measurements**

#### **Paragraph 51**

We agree with the finding. A meeting was already held with the Internal Audit shared service to address this finding.

### **Content of the IDP**

#### **Paragraph 52**

We agree with the findings. The SDBIP is only addressing the day to day functions. The KPI's and the performance targets should be based on available financial resources that address the needs of the community, and it is a fact that the IDP is not linked to the budget due to financial constraints experienced.

### **Service delivery agreement**

#### **Paragraph 53**

The service level agreement with the Dr R S Mompati district municipality on water and sewage is in the process of finalization.

## **No reporting on performance information**

### **Paragraph 54**

It was not possible to submit the annual performance report as all the positions of Section 57 Managers were vacant with the exception of the Manager: Corporate Administration who was appointed in a new position and contract as Executive Manager: Operational Services on 1 March 2008.

### **Conclusion**

In order to comply to the 31 January 2009 deadline for the submission of the annual report the AG's office undertook to submit the AG report before 30 November 2008. Although the report was signed off on 12 December 2008 it was only received on 27 January 2009. We did not comply in terms of section 121 of the Municipal Finance Management Act, 2003 and therefore do not expect an audit query in this regard.

In order to improve our audit qualification status it is imperative that the financial turn around plan be implemented. Although we are in the process of sourcing funding from the DBSA and other funding agencies as well as Local Government, the District municipality, Treasury and the Auditor General's office need to assist financially and otherwise to implement the plan.

The DBSA will deploy a financial expert to assist with the balancing of control accounts and will also avail funds to conduct a data cleansing project which will enhance our income base.

The District is only willing to assist subject thereto that we implement a new financial system (Pastel) although the SAMRAS DB4 system is a recognized financial system for local municipalities with debtors.

It is also imperative that a Chief Financial Officer be appointed as envisaged by the previous Municipal Manager. Also of concern is that Council is not able to retain Accounting Officers to ensure continuity and proper financial control.

## CHAPTER 5

### 5. EXECUTIVE COUNCIL

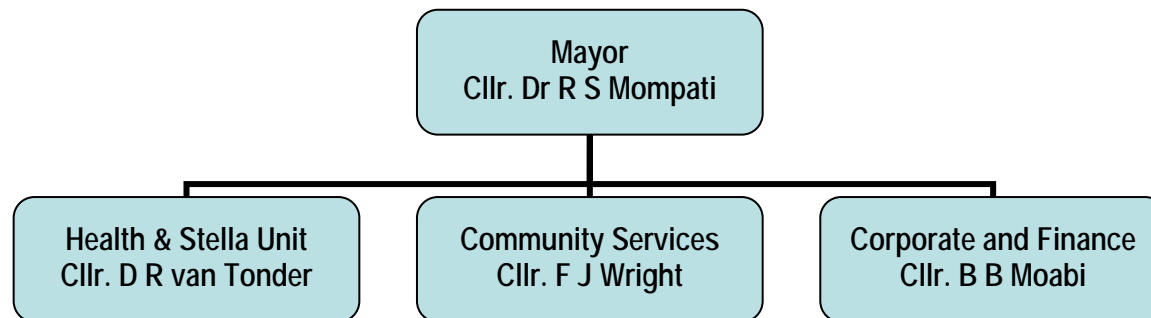
#### Council

Council consist out of 18 councillors, thirteen of these councillors are representing the ANC, one councillor is representing the ID Party, two councillors are representing the DA Party, one councillor is representing the PAC and one councillor is representing the UCDP.

Ten of these councillors are female and the Speaker and Mayor are also females. Council meets on a monthly basis with the exception of December. Special Council meetings are convened for urgent matters.

#### Executive Committee

The Executive Committee meets on a monthly basis with the exception of January and December and consists of 4 members, of which two are female. Only the ANC and DA is represented (ANC three seats DA one seat).



### **Portfolio Committees**

Council has established the following Committees:

- Corporate and Finance (6 Councillors)
- Community Services (5 Councillors)
- Health, Sports and Stella (5 Councillors)
- Local Labour Forum (6 Councillors)
- Budget and Treasury Steering Committee (10 Councillors)

These Committees do not have any delegated authorities and as such all matters must be resolved by Council. With the exception of January and December most of these Committees meet once a month.

### **Plans to improve performance**

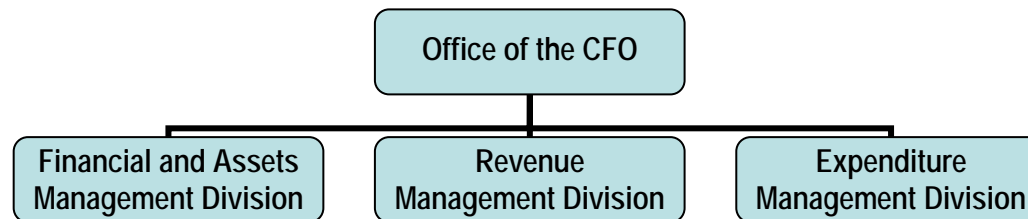
The organisational structure has been developed and Council will constitute Committees in terms of this structure. Subsequently decision making authority will be delegated to these Committees and senior personnel. This will ensure that the decision making process is more effective.

## CHAPTER 6

### 6. FUNCTIONAL AREA SERVICE DELIVERY REPORTING

#### 6.1 Finance

##### 6.1.1 Department of Financial Services Organisational Top Structure



##### 6.1.2 Description of the function

**Financial and Assets Management Division:** This division is responsible for the compilation of the budget based on the IDP and the inputs of the local community, Council, officials and other stakeholders. In order to comply with financial reforms, strategic input from other stakeholders is processed on an ongoing basis. Financial statements are compiled in terms of the required accounting standards. Comments are rendered on the Auditor-General's Report and recommendations are made to address any issues reported by the Auditor-General. The division is also responsible to keep record of all council's assets, external loans and investments as well as financial reporting in terms of the MFMA. Although the IT function resides in the Office of the Municipal Manager, this division is responsible to ensure that the financial system server and pre-paid electricity sales server operates effectively.

**Revenue Management Division:** This division is responsible that all consumers are billed correctly for the services rendered to them and that all revenue due to the municipality is collected. Although the IT function resides in the Office of the Municipal Manager, this division is responsible to ensure that the credit control and debt collection management server operates effectively.

**Expenditure Management Division:** This division is responsible for paying all the creditors of the municipality in terms of the approved budget. This includes the supply chain management function of issuing orders after the managers responsible for budget votes has authorised purchases. This division is also responsible for maintaining the payroll system and the payment of officials and third parties.

#### 6.1.3 The municipality's mandate

The divisions of the department operate within the ambit of applicable legislation, prescriptions, Council resolutions, Council policies and powers delegated by Council.

#### 6.1.4 Strategic objectives of the function per division

**Financial and Assets Management Division:**

- To compile an annual budget based on the IDP and available resources
- To compile the annual financial statements reflecting the financial position of the municipality
- To compile and maintain an assets register and to insure the assets of the municipality
- To compile and maintain an investments register containing all investments of the municipality
- To compile and maintain a loans register containing all external loans of the municipality
- To maintain a reliable data base with data integrity
- To provide financial management support to other departments in the municipality

**Revenue Management Division:**

- To ensure correct billing for services rendered to customers
- To compile and maintain a property data base based on the valuation role
- To ensure effective credit control and debt collection
- To provide free basic services to indigent households

**Expenditure Management Division:**

- To ensure accurate accounting of all payments to the creditors of the municipality
- To record all accounting transactions with regard to supply chain management
- To maintain the payroll system

### 6.1.5 Key issues

#### **Financial and Assets Management Division:**

- Financial reforms and reporting
- Establishment of a budget and treasury office
- Obtaining financial expert assistance to address the issues in the Auditor-General's Report

#### **Revenue Management Division:**

- Debt collection
- Cleaning the debtors data base
- General evaluation in terms of Property Rates Act

#### **Expenditure Management Division:**

- Clearing issues with regard to VAT, PAYE, UIF and SDL with SARS
- Internal control procedures in payroll office



### 6.1.6 Analysis of the function

#### Debtor billings: number and value of monthly billings

No information available due to the fact that no reconciliations were done during the financial year under review.

#### Debtor collections: value of amount received and interest

No information available due to the fact that no reconciliations were done during the financial year under review.

#### Debtor analysis: current, 30, 60, 90 and 120 days plus

Area	Service	30 June 2008						30 June 2007
		Current	30 days	60 days	90 days	120 days +	Totals	Totals
Vryburg	Property Rates	829,191	341,886	240,559	212,797	7,360,370	8,984,803	7,819,590
Vryburg	Services	5,451,003	2,321,353	1,654,108	1,374,361	14,195,354	24,996,180	23,534,733
Vryburg	Handed over	8,148	4,030	9,653	9,513	1,350,829	1,382,174	1,415,808
Huhudi	Property Rates	408,175	72,793	72,720	66,930	2,804,691	3,425,309	2,744,416
Huhudi	Services	403,660	643,835	311,441	616,589	14,904,376	16,879,901	14,982,178
Huhudi	Handed over	1,507	860	1,446	2,316	170,791	176,621	174,251
Stella	Property Rates	39,408	189,639	11,884	11,779	579,332	832,042	561,064
Stella	Services	273,136	77,026	57,567	47,303	616,447	1,071,479	997,243
Stella	Handed over	424	2,595	323	323	3,262	6,926	24,556
<b>Totals as per billing system</b>		<b>7,414,650</b>	<b>3,654,018</b>	<b>2,359,702</b>	<b>2,341,910</b>	<b>41,985,453</b>	<b>57,755,733</b>	<b>52,253,839</b>
<b>Less: VAT</b>							<b>-5,466,580</b>	<b>-5,050,901</b>
<b>Un-reconciled difference between billing system and General Ledger</b>							<b>417,355</b>	<b>246,015</b>
<b>Total property rates and service charges debtors outstanding as per General Ledger</b>							<b>52,706,508</b>	<b>47,448,953</b>

#### Write-off of debts: number and value of debts written off

Debts of 1,033 indigent households' accounts (property rates as well as service charges) to the value of R 2,392,030 were written-off during the year under review.

Property rates (residential and municipal)	Number	Value
Properties rated	7,499	251,450,246
Properties not rated	892	0
Properties exempted	661	32,926,820

Rates levied and collectable for the year	9,052	12,435,883
<b>Property rates (Commercial / Other)</b>	<b>Number</b>	<b>Value</b>
Properties rated	432	81,324,659
Properties not rated	0	0
Properties exempted	0	0
Rates levied and collectable for the year	432	3,588,742
<b>Property valuation</b>		
Year of last valuation		1995
Regularity of valuation (cycle)		4 years
A general valuation was performed in 2002. Due to the vast amount of objections it was never implemented by Council. A new general valuation in terms of the Property Rates Act is in the process to be performed for implementation on 1 July 2009.		
<b>Indigent Policy</b>		
Council do have an Indigent Policy and it was implemented during the first half of the 2007/2008 financial year. The arrears of all identified indigent households were written-off and a monthly subsidy implemented equal to the basic water (6 kl), electricity (50 kWh), refuse removal and sanitation services the indigent household received. This is an ongoing process and Council's policy is therefore implemented on an ongoing basis by adding new indigent households to the indigent register.		

### 6.1.7 Gaps in service delivery

#### **Financial and Assets Management Division:**

- Compiling an annual budget taking all budgetary reforms (GAMAP/GRAP and reporting formats) into consideration.
- Compiling annual financial statements based on GAMAP/GRAP prescripts.
- Reporting in terms of Section 71 and 72 of the MFMA.
- Compilation of an assets-, loan-, and investment registers.
- Un-reconciled bank accounts.
- Establishment of the budget and treasury office.

#### **Revenue Management Division:**

- Enhance debt collection and effectiveness of credit control.
- Maintaining the indigent register and the implementation of indigent subsidy scheme in terms of Council's policy.
- Lack of consolidated accounts for property rates and service charges.
- Un-reconciled property rates and service charges control and suspense accounts in the General ledger.
- General evaluation of all properties in Naledi in terms of the Property Rates Act.

#### **Expenditure Management Division:**

- Establishment of a supply chain management unit compliant to MFMA prescripts.
- Compilation of a sundry creditors register.
- Un-reconciled creditors control and suspense accounts in the General Ledger.
- VAT returns to SARS.
- Un-reconciled payroll control and suspense accounts in the General ledger.

### 6.1.8 Mechanisms to overcome gaps

#### **Financial and Assets Management Division:**

- Fine-tuning the financial system so that an annual budget compliant with GAMAP/GRAP and reporting formats can be compiled.
- Converting the 2007/2008 set of financial statements from the IMFO format to the GAMAP/GRAP format.
- Maintaining the financial system so that electronic reporting in terms of Section 71 and 72 of the MFMA can be done.
- Compilation and maintaining of an assets-, loans- and investment registers compliant with GAMAP/GRAP.
- Compilation of monthly bank reconciliations of all bank accounts.
- Establishment of a budget and treasury office competent to fulfil the required functions.

**Revenue Management Division:**

- Streamline debt collection processes in Zeus System in terms of Council's policy and create credit control actions capacity in conjunction with the appointed service provider
- Maintaining the indigent register in the financial system based on verified applications.
- Merging of accounts to compile consolidated accounts for property rates and service charges.
- Compilation of reconciliations of property rates and service charges control and suspense accounts in the General ledger.
- Monitor the progress of the appointed service provider responsible for the general evaluation of all properties in Naledi.

**Expenditure Management Division:**

- Establish a supply chain management unit compliant to the MFMA prescripts.
- Compilation of a sundry creditors register reconciling with the General Ledger.
- Compilation of reconciliations of creditors control and suspense accounts in the General Ledger.
- Building capacity for the submission of VAT returns to SARS on a regular basis. Finalise VAT repayment arrangement with SARS.
- Compilation of reconciliations of payroll control and suspense accounts in the General ledger.

## **6.2 Human Resources**

### **6.2.1 Description of the function**

The following functions are performed in the Department: Corporate Administration and Human Resources.

- All Personnel related matters
- Disciplinary charge sheets
- Arbitrations: Labour matters
- Policies
- By-Laws
- Property Administration: All Council's facilities as well as erven
- Libraries
- Record Section (Archives)
- Compilation of Portfolio Committees, Rules Committee, Leon Taljaard Advisory Board, Executive Committee and Council and Council-in-Committee Agendas
- Minutes of Portfolio Committees, Leon Taljaard Advisory Board, Executive Committee and Council and Council-in-Committee
- Opening of tenders

- Registers of Contracts/Agreements
- Swartfontein, Museum, Leon Taljaard Nature Reserve, Communication e.g. telephone services

**NB Due to restructuring the above functions were performed until 28 February 2008 after which certain functions were allocated to newly established departments.**

### Occupational Categories

The total number of employees in each of the following occupational categories is as set out in the table below. Permanent employees totalled 407.

**Table: Occupational categories of all employees**

Occupational Categories	Male			Female				Sub-Total	White Male	Foreign		Total
	A	C	I	A	C	I	W			M	F	
Legislators, senior officials and managers	12	3	0	10	2	0	2	29	5	0	0	34
Professionals	7	4	0	5	0	0	2	18	1	0	0	19
Clerks	15	1	0	29	5	0	8	56	1	0	0	57
Service and sales workers	14	6	0	4	0	0	0	24	3	0	0	27
Craft and related trade workers	11	4	0	1	1	0	1	17	9	0	0	26
Plant and machine operators and assemblers	48	6	0	0	0	0	0	54	0	0	0	54
Elementary occupations	141	22	0	26	1	0	0	190	0	0	0	190
<b>Total Permanent Employees</b>	<b>248</b>	<b>46</b>	<b>0</b>	<b>75</b>	<b>9</b>	<b>0</b>	<b>10</b>	<b>388</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>407</b>
Non-Permanent Employees	0	0	0	0	0	0	0	0	0	0	0	0
<b>Grand Total</b>	<b>248</b>	<b>46</b>	<b>0</b>	<b>75</b>	<b>9</b>	<b>0</b>	<b>10</b>	<b>388</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>407</b>

(Note: A=Africans, C=Coloureds, I=Indians, W=Whites, M=Male and F=Female)

The total number of employees with disabilities in each of the following occupational categories is as set out in the table below. Employees with disabilities totalled 3 of which all of them were represented by the previously disadvantaged group.

**Table: Occupational categories of employees with disabilities**

Occupational Categories	Male			Female				Sub-Total	White Male	Foreign		Total
	A	C	I	A	C	I	W			M	F	
Legislators, senior officials and managers	0	0	0	0	0	0	0	0	0	0	0	0
Professionals	0	0	0	0	0	0	0	0	0	0	0	0
Clerks	0	0	0	1	0	0	0	1	0	0	0	1
Service and sales workers	0	0	0	0	0	0	0	0	0	0	0	0
Craft and related trade workers	0	0	1	0	0	0	0	1	0	0	0	1
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0	0	0	0
Elementary occupations	2	0	0	0	0	0	0	2	0	0	0	2
<b>Total Permanent Employees</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>
Non-Permanent Employees	0	0	0	0	0	0	0	0	0	0	0	0
<b>Grand Total</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>

(Note: A=Africans, C=Coloureds, I=Indians, W=Whites, M=Male and F=Female)

#### Plans to improve performance

- Delegate administrative matters to Senior Management.
- Capacitate employees through training.
- Increase budget allocation for training of employees.
- Cascade performance evaluation and reward to lower levels through the development of the appraisal system.
- Conduct an audit on all outstanding policies.
- Employee assistance programme to be introduced in order to increase productivity.
- Avail additional sources for the maintenance and upgrading of public facilities.

#### Finance (Procurement)

Council has adopted a Supply Chain Management Policy which was implemented on 1 November 2006 and the following committees were established in compliance with the Municipal Finance Management Act, No 56 of 2003, the Supply Chain Management Regulations and Council's policy:

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

The two outstanding matters are as follows:

- Establishment of a Supply Chain Management Unit. Provision was made for this unit in the new organogram
- Procurement of a computerised Supply Chain Management System so as to ensure compliance of procurement process with legislation.

### **Planning & Development**

#### **6.4.1 Economic development**

The function of economic planning and development is income generation, job creation, poverty alleviation and general economic empowerment. The Municipality has a mandate to transform the socio-economic landscape of its local constituency through developmental initiatives and interventions including policies, programmes and projects.

#### **6.4.2 Strategic objective**

- Economic regeneration study was completed.
- Revival of Moeding Project
- Training of local SMME's
- Hawker stalls
- Improved networking and capacity building
- Secure start-up and growth funds
- 2010 Projects (DBSA, IDC, etc)
- Establishment of corporatives

Funding for the following projects:

- Funding secured for SMME containers (Taxi rank)
- Facilitate the securing of funds for cultural and sports activities
- Rehabilitation of Colridge Stadium
- Public view area
- Reconstruction of hydroponics tunnels

#### **6.4.3 Key Performance Area variance**

- Restructuring of the LED Unit

- Packaging of a marketing strategy
- Hosting of workshops and other training programmes for emerging contractors

## 6.5 Clinics

The clinic services are rendered by the North West Provincial Department.

### Community Services

#### 6.6.1 Library Services

Library	Employee Costs
Vryburg Library	R 277,274
Colridge Library	R 85,911
Huhudi Library	R 236,076
Stella Library	R 104,250

#### 6.6.2 Community Halls

Community Hall	Employee Costs
Banquet Hall	R 176,787
Huhudi Hall	R 160,486
Colridge Hall	R 78,939
Kismet Hall	R 66,259
Gymnasium	R 62,471



### 6.6.3 Swimming pools

Swimming Pool	Employee Costs
Vryburg	R 169,780
Huhudi	R 137,464
Colridge	R 174,292

### 6.6.4 Other amenities

Description	Employee Costs
Leon Taljaard Nature Reserve	R 249,902
Swartfontein Resort	R 1,329,365

### 6.6.6 Plans to improve performances

The possibility to create a management unit for all non-municipal entities like Swartfontein Resort, Leon Taljaard Nature reserve and other in the district is currently being investigated.

### 6.6.7 Parks

Naledi Municipality is responsible for the development and maintenance of parks in the area of jurisdiction. A new park is developed at Huhudi. There is a need to develop parks at Dithakwaneng, Stella, Devondale and Colridge. Applications were sent to the National Lottery for funds. People who are rendering services at the park section are also responsible to cut grass on the side walks. The budgeted costs for personnel at that section amount to R 1,669,255 per annum

### 6.6.8 Sports grounds

It is the responsibility of the Municipality to provide sufficient sports facilities to the community. Most schools in the previously disadvantage area have no sports facilities. In Huhudi there are seven (7) schools and they all use the only Stadium available for their sports activities. Huhudi Stadium was upgraded and Colridge Stadium will also be upgraded. At Devondale, Stella and Dithakwaneng they still use gravel soccer fields.

Applications were submitted to various funders for the development of sports grounds. The estimated costs for personnel in this section amounted to R 1,245,778 per annum.

The maintenance of parks and sports grounds suffers severely from a lack of adequate water for irrigation during warm dry summer months. Planning is being done to re-use purified water for watering purposes.

#### **6.6.9 Cemeteries**

The Municipality is responsible for the cemeteries of Vryburg, Colridge, Huhudi and Stella. The residents of Dithakwaneng and the Muslim Community control their own cemeteries. Council has enough space for cemeteries at Huhudi, Stella, Colridge and Vryburg. The construction of fences at Vryburg and Huhudi cemeteries were completed. The costs for personnel in this section amount to R 891,041 per annum.

### **6.7 Housing**

Housing projects are approved by the Department of Developmental Local Government & Housing. Land was availed at Dithakwaneng for the development of 625 Low Cost Housing. Lay out Plans for the development of 3 000 Low Cost Housing units south of South Street and adjacent to the Kuruman Road were approved by Council. The show houses were built. Four Hundred (400) Low Cost Housing Units were identified and built at Stella by the contractor appointed by the Department of Local Government. Applications for 165 Low Cost Housing Units at Devondale were approved as well as 800 applications for dilapidated houses to be rebuilt within the applicable Low Cost Housing Programme.

#### **STATISTICS**

The number and total value of housing projects planned	R39 462 500.00
The estimated housing backlog	11 000
Number of people living in a house	12 000
Number of people living in flats/family units	67 families
Number of people living in shacks	3 500 families

#### **6.7.1 Housing Challenges**

Blocked housing projects are completed even if poor workmanship is reported by the building inspector.

## **6.8 Solid Waste**

It includes refuse removal, solid waste disposal, landfill and street cleaning. The mandate is to collect and safely dispose off the waste as well as to monitor and evaluate waste control in the area. The refuse collection of the municipality is administered as follows:

- Household removals at Huhudi, Colridge, Vryburg including Kismet Park, Stella and informal settlements.
- Business refuse removals in the whole town including government buildings
- Removals at schools and public amenities
- Garden refuse removal in the entire area

The costs for personnel in this section amount to R 4 294 242 per annum.

### **6.8.1 Key performance areas**

- The purchase of 9,500 bins for refuse removal at Huhudi did not materialise due to a lack of funding
- Two tipper trucks for garden refuse removal were purchased
- Two garden refuse transfer stations completed.
- Funding secured from MIG in order to close the present land fill site and to open a new land fill site
- Repaired front end loader for garden refuse removal

### **6.8.2 Performance during the year**

Refuse removal areas were audited and upgraded or changed to streamline refuse removal actions. Refuse removal areas was also plotted on a map of the town to illustrate the routes of refuse removal collections to be followed. This was done in collaboration with officials from Assen Gemeente in Holland as part of the twinning arrangement agreement and refuse removal capacity building programme.

## **6.9 Traffic**

The policing and traffic control functions of the municipality are administered as follows:

Traffic control law enforcement; promote safety enforcement of by-laws, registration & licensing of vehicles worthiness, painting of road marks and sign erection, testing of vehicle for roadworthiness, issuing of learners & drivers license, issuing of professional driving permits. The strategic objective is to uphold the law and enforce the Road Traffic Act, by-laws and to promote Road safety

### **6.9.1 Cost of personnel amounts to R 5 850 686**

**6.9.2 Total number of targeted violation**

Section 341	362	=	R 39 180
Section 56	1,651	=	R 294,075
TMT (Speed Cameras)	22,233	=	R 1,403,540

**6.9.3 Registration and licensing**

Registration	2109	=	R 85 332,85
Licensing	15127	=	R 4 847 796.87
Special Permits	1633	=	R 73 527.00
Duplicates		=	R 105 000.00
Roadworthy		=	R 12 043.00
PLN	78	=	R 9 777.00

**6.9.4 Drivers licenses**

Drivers License issued	5271	=	R 654 944.00
Applications for learners drivers licenses	3429	=	R 191 824.00
Professional Drivers Permits	878	=	R 54 300.00

**6.9.5 Performance targets against actual achieved and plans to improve performance**

- Naledi Municipality took over the drivers licenses from the Provincial Administration
- TMT Law Enforcement Speed camera implementation
- Extension of traffic law enforcement services to Stella which had to be scaled down due to manpower shortage
- Planned e-NATIS implementation by the Department of Transport on 14 February 2006, was postponed as training is still underway
- Scholar patrol implementation at identified schools

**6.9.6 Performance improvements for next year**

- Extension of law enforcement services at Stella and Dithakwaneng
- Joint operations with other law enforcement agencies to promote road safety
- Erection of road signs at Dithakwaneng
- Erection of junior Traffic Training Centre at the Traffic Complex in partnership with Department of Transport (NW)
- Introduction of Traffic Officers Award to officers who execute their duties with commitment and distinctions
- Erection of speed humps at specific problem areas.

## **6.10 MAIN ACTIVITIES OF THE SECTION (KEY PERFORMANCE AREAS)**

Provide Community Safety through the rendering of:

- Fire Services
- Rescue Services
- Fire Prevention Services
- Disaster Management

### **6.10.1 EVIDENCE OF MAIN ACTIVITIES ACHIEVED (KEY PERFORMANCE INDICATORS)**

#### **Rendering of Fire Services**

Number of Incidents Reported = 05

Number of Incidents Attended = 105

Number of Fatalities = **04**

#### **Rendering of Rescue Services**

Number of Incidents Reported = 28

Number of Incidents Attended = 28

Number of Fatalities = 9

#### **Fire Prevention**

Number of Inspection Conducted = 320

Building Plans Approved: (Same as Building Inspector)

#### **6.10.2 PROGRESS IN TERMS OF ACTIVITIES OF THE SECTION**

##### **Servicing of Fire Hydrants**

Personnel are servicing hydrants on a daily basis around Vryburg, Huhudi Colridge and Kismet Park.

Number of hydrants serviced= 58

#### **6.10.3 CHALLENGES**

##### **Outdated Rescue Equipment**

Due to the age of the rescue equipment the Hydraulic Pump gave problems and a Hydraulic Pump had to be borrowed from EMS while ours are being repaired.

#### **6.10.4 REACTIVE AND PROACTIVE ACTIVITIES: DISASTER MANAGEMENT SECTION**

##### **Rendering of Disaster Management Services**

Total Disaster Related Incidents (Informal Structures/Shacks) 22

Total Disaster Related Incidents Attended 22

The victims of the above mentioned incidents were assisted through the Department of the South African Social Security Agency, by registering them for Social Relief of Distress. In instances where the victim has lost documents like Id's and birth certificates, the Department of Home Affairs was also requested to assist.

#### **6.10.5 PROGRESS IN TERMS OF ACTIVITIES OF THE SECTION**

##### **Creation of Fire Breaks**

Fire Breaks around the southern end of the municipality's commonage camps were erected. Unfortunately the grader malfunctions regularly, and hampers to the progress of the project. The grader is also not always available as other tasks are also forwarded to the operator from within his department. The commonage camps around Huhudi and the Northern side of town have still to be completed as well as Leon Taljaard and around Dithakwaneng.

#### **6.10.6 Challenges**

The mechanical condition of the grader as well as the support staff for maintaining the said appliance hampers progress in the creation of fire breaks around town.

#### **6.10.7 Creation Disaster Management Plans**

The appointed service provider suggested that contingency plans for the different risks identified have to be drafted by 30 May 2008. The contingency plans for grass fires were completed. Grass fires are being attended according to the said contingency plan, although no formal exercise has been completed for its evaluation. But unfortunately to date, no final document is available.

#### **6.11 Sewerage**

Naledi Municipality is the Water Service Provider and Bophirima District Municipality is the Water Service Authority. The main function is to distribute sewerage services to all residents within the area of jurisdiction

##### **6.11.1 Dithakwaneng**

VIP toilets (625) were constructed to meet RDP standards.

##### **6.11.2 Devondale**

All 200 households have VIP toilets

##### **6.11.3 Stella**

Extension 1 of Stella has already waterborne sewerage. The 400 housing project is under construction and will be completed soon with connections to the waterborne sewerage system. Old Stella use suction tanks and a business plan were already developed in order to install the waterborne sewerage.

#### 6.11.4 Huhudi, Colridge and Vryburg

All residents have waterborne sewer except 400 households which will be connected to the sewer reticulation after the construction of houses in Huhudi and Colridge. The illegal squatters still used buckets but will be re-settling at the new identified 1,500 sites. Bophirima District Municipality was already informed as well as the Department of Water Affairs who will do a thorough investigation.

#### 6.11.5 Farm workers

Services Providers were appointed to investigate all farm workers dwelling without sanitation and they will apply for funds to build VIP Toilets.

#### 6.12 Roads

The Municipality is responsible for the maintenance and development of roads in the area of jurisdiction. The roads in Naledi Local Municipality are in a very bad condition. The estimates cost to repair the current tar roads amount to ± R 180 million. Department of Transport upgraded Market and Moffat Streets. After discussions were held with the Department of Transport they agreed to tar South Street and a portion of De Kock Street. Funds were received from the Department of Local Economic Development and a portion of Livingstone and De Kock Street was rebuilt. Kamp Street was resealed and portion of French Street. Currently the equipment used is very old and it hampers the maintenance of roads. Naledi Local Municipality will be responsible to maintain all gravel roads in their area of jurisdiction except the numbered roads. Therefore Council needs to avail more funds during the budgeting process for more equipment, roads development and maintenance thereof. The main entrance roads to Devondale and Dithakwaneng need to be upgraded to enable buses and Taxis access to this community.

#### 6.13 Water

Naledi Municipality is responsible to distribute water to all residents within its jurisdiction.

Piped water inside dwelling	=	10,850
Piped water on community stands	=	1,350
Boreholes	=	200



#### **6.13.1 Vryburg, Kismet, Huhudi and Colridge**

A shortage of water is experience in Vryburg, Huhudi, Colridge and Kismet during the summer season. Bophirima District Municipality approved funds and a Contractor was appointed to refurbish the Pudimoe Water Pipeline of 50 km. This pipeline will deliver 64 litres per second of water. This project was completed by December 2007 and the water shortage will hopefully be solved.

Currently 10,000 residents in this area have yard connections and 300 households get water from standpipes. Water is supplied to two (2) illegal settlements ( $\pm$  1,500 households) the at a lower level than the RDP Standard. A new area was identified to relocate these residents, a Town Planner was appointed by the water service authority and Bophirima District Municipality also budgeted for an amount of R 950,000 to do the water reticulation after the layout is approved. The reservoir capacities need to be increased after the Pudimoe Pipeline is completed.

#### **6.13.2 Stella**

Stella have proper yard connections at Ext 1 there are 150 yard connections, the remaining 250 connections will be done when the houses are constructed currently 50 households used water from stand-pipes.

#### **6.13.3 Dithakwaneng**

Currently 800 households used water used water from stand-pipe. They can apply individual for yard connection. No problems are experience.

#### **6.13.4 Devondale**

The water reticulation for the 200 households was completed as well as the high lift tower and borehole installation. Tow hundred (200) households have access to water through stand-pipes.

#### **6.14 Electricity**

Naledi Municipality distribute electricity to the residents of Vryburg, Kismet Park, Colridge, Stella and some small holdings. Eskom provide electricity to residents of Huhudi and Dithakwaneng.

Electrified areas Municipal	=	6,800
Eskom	=	5,600
Not electrified	=	200

Total value of electrification projects planned		
Devondale 200 sites	=	R 760,000
New Extension 1500 sites	=	R 5, 7 million

#### **6.14.1 Stella**

Problems was experienced and a second ring feed was constructed which reduce the power failures. A cable was also replaced where power failures occurred. All residents have access to electricity.

#### **6.14.2 Dithakwaneng**

All residents have access to electricity which is provided by Eskom.

#### **6.14.3 Huhudi**

All formal households have access to electricity except the illegal squatters who still have to be relocated. A Services Provider was already appointed to apply for funds from DME for the electrification of the 1,500 sites. Eskom supply the electricity in Huhudi.

#### **6.14.4 Devondale**

Eskom will supply the electrification in Devondale and they agreed that the 200 households will be electrified in the 2008/2009 financial year.

#### **6.14.5 Vryburg, Kismet and Colridge**

All residents have access to electricity. The main substations need to be upgraded within the next five (5) years. There is a need for a ring feed to the substation to reduce the power failures by Eskom. One additional cable was constructed to reduce the power failures. A ring feed is needed to the new extension of 3000 sites. Council will have to budget for the ring feed.

#### **6.15 Street Lights**

The Municipality is responsible for the development and maintenance of street lights within its area of jurisdiction. High Mast lights were constructed at Stella, Dithakwaneng and Devondale. Streetlights in Ben de Klerk Street, Kismet Avenue and Segawana Street were constructed. Business plans

was prepared for Moffat Street, Royden Road, Krisch Naidoo and Stella Street in Stella. The applications were approved and Moffat and Stella Street in Stella will be done in the 2007/2008 financial year and the funds are from MIG. Krisch Naidoo and Royden Road will be done in the 2008/2009 financial year. All residents have basic lighting except where the 3000 sites will be developed.